

# MEDIA RELEASE

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Iowa Department of Inspections and Appeals \$ Lucas State Office Building \$ Des Moines, Iowa 50319-0083

## For Immediate Release

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### **Establishments Face Late Charges and Closure for Delinquent Licenses**

DES MOINES, IOWA – Iowa food establishments failing to renew their licenses with the Iowa Department of Inspections and Appeals (DIA) have been subjected to late fees and penalties, DIA Director Steve Young announced today. “Iowa law clearly states that no restaurant, grocery store, or convenience store operate without a license,” the Director said. “Establishments that are delinquent in obtaining their licenses will not only face late fees and penalties, but could also face closure.” The Department has tracked a trend in license holders who ignore reminders to timely renew licenses and who are operating in violation of the law.

At the end of calendar year 2005, 29 food establishments inspected by state inspectors were delinquent in obtaining their licenses. Eight establishments came forward after prompting by the Department to renew their licenses, and were subject to a late charge of 10 percent per month for each month they operated beyond the expiration date of their licenses. “These establishments all paid a late fee ranging from \$13 to \$63, in addition to their license renewal fee,” the Director explained.

In addition, another 19 establishments have been assessed penalties totaling \$6,452.50 for repeatedly ignoring renewal notices issued by the Department. “These establishments had been operating without valid licenses for two or more months,” Young said, adding, “In addition to the assessed penalties, these establishments paid a late charge averaging \$54 per establishment at the time their licenses were renewed.” The establishments that received the penalty notices will be given 30 days from the date of the notice to either pay the penalties or appeal the Department’s action.

“We encouraged, cajoled, and did everything to prompt timely renewal. We were at a crossroads. Either these establishments needed to be forced to comply with the law or the Department needed to ignore it. The only option was clear,” Young said.

Six establishments were temporarily closed by DIA after they were told to renew their licenses by the end of the year, but did not. Four were permitted to reopen after they renewed their licenses and

paid the associated late charges. Two establishments – a food processing plant and a mobile unit – remain closed.

Iowa Code section 137F.4 provides that a food establishment or food processing plant shall not operate or open until the appropriate license has first been obtained. The law further provides that any food establishment that does not renew its license before the expiration date will be subject to a late fee of 10 percent of its license fee for each month of operation. In addition, the Department may assess civil penalties of up to \$100 per day for each day of operation without a license.

The Director noted, “Iowans expect the food establishments in which they eat or shop to be appropriately licensed. If an establishment cannot follow a simple rule regarding the timely renewal of its license, it calls into question the food safety practices followed by its staff.”

As part of its license renewal process, the Department issues written reminders to food establishments 45 days prior to their license expiration dates. Establishments that fail to renew their licenses within one week of the expiration date also receive a telephone call reminder. Establishments that fail to timely renew their licenses after both a written and verbal reminder are subject to closure and the assessment of late charges and penalties above the cost of their renewal license fee.

The Department’s Food and Consumer Safety Program is responsible for administering the statewide food safety program. The Department contracts with 30 local health departments to conduct food establishment licensing and inspections in 79 counties and five municipalities; state inspectors conduct inspections in the remaining 20 counties. According to the Department’s records, there are more than 21,000 licensed establishments in Iowa, including restaurants, grocery stores, convenience stores, food processing plants, egg handlers, mobile food stands, and temporary establishments.

One of the easiest ways for an establishment to avoid licensing issues is to make sure its renewal application is submitted to DIA (or the local health department) well in advance of the expiration date. In addition, the application needs to be fully completed and the appropriate licensing fee needs to be enclosed. “Often, establishments will submit their renewal application without the appropriate licensing fee,” the Director noted. “Taking a few extra minutes to review the application prior to submission may help eliminate potential delinquency issues, thus avoiding late fees, penalties, or a possible closure notice.”

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This release and other news items from the Department of Inspections and Appeals (DIA) can be found on the Department’s “Hot Notices” web page at <http://www.state.ia.us/government/dia/page20.html>.